Recommendation of Furguson Committee

2259. SHRI K. CHANDRAN PILLAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the recommendation of the Furguson Committee to improve the auction system in tea;

(b) the steps already taken by Government for implementation of the same;

(c) the progress, if any, achieved as a result thereof;

(d) whether Government have noticed that several tea estates have been closed and tens of thousands of workers were thrown out of employment resulting in starvation deaths; and

(e) if so, the details thereof during the last three years, year-wise and State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO): (a) Concerned with the fall in auction prices of tea and such fall not getting reflected in the retail prices, a study of the primary marketing system for tea was conducted through M/s A.F. Ferguson & Co. The major recommendations of the Ferguson Committee with respect to the auction system, include discouraging divisibility of lots and proxy bidding, fixing maximum sample limits, defining lot sizes in terms of weight rather than volume, introduction of ex-estate sale and electronising the bidding process in the auction centres.

(b) and (c) Based on the recommendations of M/s A.F. Ferguson & Co. the Government notified the Tea Marketing Control Order, 2003 on 01.01.2003 in replacement of the TMCO 1984. Necessary directions regarding the Changes in the auction rules were issued by the Tea Board for a more transparent and efficient price discovery mechanism. Government has also approved implementation of an Information Technology based Information Dissemination Plan for the tea industry which covers electronising the tea auction centers in India.

(d) and (e) Continuous fall in prices of tea coupled with increased cost of production and fall in demand has adversely affected the economy

of the tea plantations resulting in closure/lockout of the some of the gardens. As per the information available, during the year 2002, 36 gardens spread over the States of Kerala, West Bengal, Assam, and Tripura were closed down due to financial crisis, resulting in unemployment among the workers of these gardens. State-wise details of the tea gardens closed and the number of workers affected are as follows:

State	No. of Gardens	No. of workers affected
West Bengal	19	19619
Kerala	11	6648
Assam	3	1661
Tripura	3	550
Total:	36	28478

Taking over on closed tea gardens in Kerala

. 2260. SHRI K.CHANDRANPILLAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have received any proposal from the State Government of Kerala for taking over the closed tea gardens in the State:

(b) if so. the details thereof:

(c) whether any decision in this regard has been taken by Government: and

(d) if so. the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENIVIDYASAGAR RAO): (a) No,Sir.

(b) to (d) Do not arise.